

Amendment No. 1 to SB1098

Fowler
Signature of Sponsor

AMEND Senate Bill No. 1098*

House Bill No. 2196

FILED

Date _____

Time _____

Clerk _____

Comm. Amdt. _____

by deleting all language after the enacting clause and by substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 65-4-201, is amended by adding the following language as a new, appropriately, designated subsection:

(e) The authority shall direct the posting of a bond or other security by a public utility providing wastewater service or for a particular project proposed by a public utility providing wastewater service. The purpose of the bond or other security shall be to ensure the proper operation and maintenance of the public utility or project. The authority shall establish by rule the form of such bond or other security, the circumstances under which a bond or other security may be required, and the manner and circumstances under which the bond or other security may be forfeited.

(1) The requirement under this subsection to post a bond or other security by a public utility providing wastewater service shall also satisfy the requirement on such a public utility to provide a bond or other financial security to the department of environmental and conservation as required by Tennessee Code Annotated, Section 69-3-122.

(2) The authority shall establish by rule the amount of such bond or other security for various sizes and types of facilities.

(3) Notwithstanding any other provisions of the law, posting a bond or other security under this subsection or Tennessee Code Annotated, Section 69-3-122, shall not be required until January 1, 2006, or until the authority's rules become effective, whichever occurs first. Such rules may be promulgated as public necessity rules.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.

